

## Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 AID-20 COME-00 EB-11 FRB-02 TRSE-00 XMB-07

OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01 STR-08 CEA-02

IO-14 DRC-01 /182 W

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R 221233Z MAY 74

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 6587

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E.O. 11652: N/A

TAGS: EFIN, AR

SUBJ: INTERVIEW WITH CENTRAL BANK PRESIDENT ALFREDO GOMEZ MORALES

1. MAY 17, CENTRAL BANK PRESIDENT GOMEZ MORALES GAVE INTERESTING EXCLUSIVE INTERVIEW TO NEWSPAPER "LA OPINION."

2. MORALES CATEGORICALLY DENIED GOA CONSIDERING DEVALUATION. RUMORS OF POSSIBLE DEVALUATION HAVE INCREASED WITH RECENT RISE IN PARALLEL MARKET RATE.

3. MORALES ALSO DENIED CENTRAL BANK HOLDING UP OPERATIONS UNDER CUBAN CREDIT. THIS STATEMENT MADE TO COUNTER RECENT "LA OPINION" ARTICLE WHICH CLAIMED CENTRAL BANK REFUSING FACILITATE CREDIT TRANSACTIONS PENDING CLARIFICATION SEVERAL RELATED ISSUES. MORALES SAID CUBAN DEAL PROGRESSING NORMALLY, AND DELAYS ENTIRELY WITH EXPORTERS.

4. ASKED IF ARGENTINA WOULD DISCOUNT CUBAN PAPER WITH IDB, MORALES SAID GOA WOULD EMPLOY NORMAL COMMERCIAL PRACTICE AND DISCOUNT ANY PROMISSORY NOTE WHEN AND IF CONVENIENT. MORALES SAID NO REASON FOR LIMITED OFFICIAL USE

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IDB TO DISCOUNT PAPER SINCE THIS TRANSACTION PERFORMED BY ANY

IMPORTANT BANK. MORALES EXPLAINED ARGENTINA PRIMARILY INTERESTED IN HAVING IDB PROVIDE DIRECT CREDIT LINES FOR EXPORT FINANCING WITH MINIMUM STRINGS.

5. MORALES THEN DISCUSSED POSSIBLE CREATION OF NEW "LATIN AMERICAN NOTE" WHICH HE SAID WAS UNDER STUDY IN IDB. IDEA OF NEW FINANCIAL INSTRUMENT WOULD BE TO ASSIST SMALL AND LEAST-DEVELOPED LA COUNTRIES TO TAP WORLD CAPITAL MARKETS. MORALES EMPHASIZED ARGENTINA ASSISTING TO DEVELOP THIS PAPER IN SPIRIT HEMISPHERE COOPERATION AND NOT BECAUSE ARGENTINA HAD ANY DIFFICULTY PLACING ITS OWN INSTRUMENTS IN WORLD MARKETS. MORALES SAID PLACEMENT OF LA FINANCIAL INSTRUMENT WOULD TAKE PLACE WITH IDB ASSISTANCE; PRECISE IDB ROLE STILL UNDER REVIEW.

6. COMMENT: THIS INTERVIEW, PUBLISHED IN "LA OPINION," WHICH GENERALLY CONSIDERED GELBARD MOUTHPIECE, MAY REFLECT GOA EFFORT SHOW UNITED FRONT TO END DEVELUATION SPECULATION. BEHIND PUBLIC SHOW OF UNITY IS LONG-SIMMERING DISPUTE BETWEEN MINISTRY OF ECONOMY AND CENTRAL BANK OVER VARIETY OF ISSUES INCLUDING MONE-TARY POLICY, INTEREST RATES, AND POSSIBLY MANAGEMENT OF EXCHANGE RATES.

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CENTRAL BANK, CREDIT, BANKERS, PRESS CONFERENCES, DEVALUATION RUMORS, CURRENCIES  
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